



PO Box 779 • West Tisbury, MA 02575 • 508-693-1117 • info@lhtmv.org

ISLANDHOUSINGTRUST

COMMUNITY INVESTMENT PLAN (CIP)

2017 - 2020

Adopted 3-13-17

	Pages
SECTION 1 - COMMUNITY SERVED	1 - 4
SECTION 2 – INVOLVEMENT OF COMMUNITY RESIDENTS AND STAKEHOLDERS	4 - 5
SECTION 3 – PLAN GOALS	6
SECTION 4 & 5 – ACTIVITIES AND MILESTONES	6 - 12
SECTION 6 - COLLABORATIVE EFFORTS TO SUPPORT PROGRAM IMPLEMENTATION	12 - 13
SECTION 7- INTEGRATION OF ACTIVITIES WITH COMMUNITY VISION AND STRATEGY	13 - 15
SECTION 8 - FINANCING STRATEGY	15 - 17
SECTION 9 - HISTORY, TRACK RECORD AND SUSTAINABLE DEVELOPMENT	17 - 18

I. INTRODUCTION

The Island Housing Trust (IHT) is a non-profit community development corporation whose mission is **to create and sustain permanently affordable housing solutions on the Island of Martha's Vineyard ("the Island" or "the Vineyard")**. As a developer and steward of ownership and rental housing, we help bridge the gap between the Island's high property values and what low and moderate-income island families can afford.

We believe that by creating sustainable and long term affordable homes, and looking after them for future generations, we will help build a more vital, diverse, and resilient Island economy and community. With this updated Plan, we aim to strengthen our community, and to empower our organization to create and sustain stable, quality, affordable homes for Island residents.

SECTION 1 - COMMUNITY SERVED ¹

The Island of Martha's Vineyard, once a major seaport and whaling capital, has become a global destination for a wide variety of seasonal residents and visitors, including the rich and famous, even Presidents. Martha's Vineyard is made up of six rural communities. In keeping with its seafaring past, Islanders still refer to the towns of Chilmark, Aquinnah, and West Tisbury as "up Island" as opposed to the "down Island" communities of Tisbury, Oak Bluffs, and Edgartown.

As the Island's reputation as a get-away for those seeking both solitude and society spread, the population increased substantially, almost doubling between 1970 and 1980, then by 30% in the 1980s, and again by 30% in the '90s. Sizable increases in the numbers of second-home owners and seasonal visitors have driven up housing prices, fueled the demand for lower paying service jobs, and decreased year-round housing availability. Since 2010, the year-round population of the Island's six towns has grown another 10.2%, from 16,535 total residents to 18,216.

Year-round Island residents value the quality of life in our rural communities. Our children have good schools and opportunities to travel safely around the Island, enjoying outdoor spaces and community support. People whose families have farmed or fished on the Island for years mix with relative newcomers from "off-Island", including a diverse group of artists, teachers, service workers and others from Brazil, Boston, and elsewhere. As housing prices increase, we recognize that our children, our teachers, and others who play important roles in our community find it increasingly difficult to stay and secure affordable housing here.

Island-wide, there has been a declining number of younger residents between the ages of 25 and 45, and an increasing number of older residents. The number of small, non-family households is also increasing, with a decrease in the average household size from 2.1 to 1.9 over the past ten years. There are significant disparities between those who own their homes and those who rent, with median incomes of

¹ Karen Sunnarborg and Martha's Vineyard Commission, Martha's Vineyard Housing Needs Assessment

\$71,858 for homeowners and \$44,102 for renters. More than one-quarter of all Island households earn less than \$35,000, including half of all seniors.

The Island Housing Trust (IHT) serves all six Island towns, and particularly those of low and moderate income in our communities. The six rural towns on the Island share major characteristics, but vary somewhat in regard to their history, community character, socio-economic makeup and housing, as these brief descriptions show:

Aquinnah – Formerly known as Gay Head, Aquinnah is the smallest community on the Vineyard with 468 residents, representing 2.6% of the Island's population. Aquinnah is the most racially diverse community on the Island, with a minority population of 42.2%, most of who are of Native American descent from the Wampanoag Tribe. The town has more young adults 18 to 24 years of age and more in the 45 to 64 age range than the other five Island towns. Aquinnah had the lowest median household income of \$57,500 in 2010, and 35 households earning less than \$35,000, representing more than one-quarter of all households. Also 10% of all residents were living below the poverty level. Aquinnah has relatively few employment opportunities, with 281 during the busy summer months and average weekly wages of \$706, insufficient to support market rate housing. Aquinnah has 503 housing units of which 68% are seasonal and 37% are rental. Aquinnah's median single-family house price is \$642,000, representing an affordability gap of \$339,000 between what a median income household can afford (\$303,000) and the median priced unit. Due to the Wampanoag Tribal housing, 25.9% of Aquinnah's year-round housing stock is considered affordable and part of the state's Subsidized Housing Inventory (SHI). The IHT has 3 ownership units of housing on IHT land in Aquinnah and 2 ownership units in predevelopment.

Chilmark – Next to Aquinnah, Chilmark is the next smallest community on the Vineyard, with a population of 1,183. Chilmark is the least racially diverse community, with the highest median age on the Island of 50.7 years (among the highest in the state) and the lowest number of children under the age of 18. Chilmark has the highest income levels on the Island, with a median household income of \$72,917 and 8.1% living below the poverty level. Employment is limited, with 765 jobs during the busy summer months, and an average weekly wage of only \$727, insufficient to support market rate housing. Chilmark has 1,606 housing units with three-quarters representing seasonal or second homes, the highest on the Island, as well as the lowest level of rentals on the Island. Chilmark also has the highest housing values on the Island, with a median single-family house price of \$825,000 and an affordability gap of \$426,000, the highest on the Vineyard. Less than 1% of Chilmark's year-round housing units are considered affordable and part of the state's Subsidized Housing Inventory (SHI). The IHT has no units of housing in Chilmark.

Edgartown – Edgartown is among the largest communities on the Island, representing about one-quarter of the Vineyard's population at 4,067 residents. Almost 12% of all residents are non-white, many of whom are non-English speaking Brazilians. Edgartown's age distribution is relatively evenly spread with 60% of the community's households representing families. The median household income of \$67,625 is near

the mid-range for the Island, with 8.7% of all families living below the poverty level, the highest percentage on the Vineyard. Next to Tisbury, Edgartown has the greatest number of employment opportunities on the Vineyard, with 3,682 jobs and an average weekly wage of only \$798, still insufficient to support market housing costs. Edgartown has 5,220 housing units including 62.4% that are seasonal or second homes. The median single-family house price is \$653,388, representing an affordability gap of \$292,888. Edgartown has a total of 89 units on the state's Subsidized Housing Inventory (SHI). The IHT has 16 ownership units in Edgartown.

Oak Bluffs – Oak Bluffs is the largest community on the Island, with a population of 4,737, and has a minority population of 15.9% of all residents. The town's age distribution was evenly spread, with the largest age group being those 65 years of age and older. About 55% of households are families with a median household income of \$59,156, lower than Island-wide levels. Oak Bluffs had the highest employment level on the Island, with 3,919 jobs and an average weekly wage of \$731, not enough to afford the median monthly rental cost of \$1,000. There are 4,257 housing units, with about half representing seasonal or second homes. While housing costs are still high, Oak Bluffs has the most affordable housing on the Island, with a median single-family house price of \$374,000, representing an affordability gap of \$80,000, the lowest on the Vineyard. There are 146 units or 6.8% of Oak Bluffs' year-round housing on the state's Subsidized Housing Inventory (SHI). The IHT has 4 units of housing on IHT land in Oak Bluffs.

Tisbury – With a population of 4,194 residents, Tisbury has a minority population of 541 or 13.7% all residents. The town's age distribution was fairly evenly spread among age ranges. About 54% of Tisbury's households were families, the lowest level on the Island. The town median household income of \$58,551 includes 117 seniors living beneath the poverty level. Tisbury has substantial employment opportunities with 3,507 jobs, with an average weekly wage of \$891, the highest on the Island but still insufficient to afford the median monthly rental at \$1,111. Of the 3,094 housing units, 36% were seasonal or second homes, the lowest level on the Vineyard. Tisbury, also known as Vineyard Haven, has the highest level of rental-occupancy on the Island. While housing costs are still high, Tisbury, next to Oak Bluffs, has the most affordable housing on the Island, with a median single-family house price of \$430,000, representing an affordability gap of \$143,000, the lowest on the Vineyard next to Oak Bluffs. A total of 109 units, 5.5% of Tisbury's year-round housing on the state's Subsidized Housing Inventory (SHI). The IHT has 30 units of housing in Tisbury, including 12 rentals and 18 ownership units, and 20 rental units in predevelopment.

West Tisbury – With a population of 3,103, West Tisbury has a relatively small minority population, 5% of all residents. West Tisbury has a significant population of baby boomers (22%), and the highest number of children (20%). 61% of households were families, the highest level on the Island. The town also has the second highest median household income (\$71,667), following Chilmark. West Tisbury has a growing employment base, with 2,667 jobs, and an average weekly wage of \$848, that is insufficient to afford a median monthly rental at \$1,212. Of West Tisbury's 2,204 housing units, 43% are seasonal or second homes. With high housing costs of \$704,000 for a median single-family

home, West Tisbury's affordability gap is \$331,500. There are 23 units or 1.8% of West Tisbury's year-round housing on the state's Subsidized Housing Inventory (SHI). The IHT has 21 units of housing in West Tisbury, including 5 rentals and 16 ownership units, and 9 rental units in predevelopment.

According to the 2013 *Martha's Vineyard Housing Needs Assessment*, the average weekly wage on the Island is now 71% of the state average, while the median home price (\$535,000) is 54% above the state average, and the median rent exceeds the state's by 17%. Of the 5,446 total year-round households, 42% are paying 30% or more of their household income on housing. Of the roughly 2,000 year-round renter households, a third or 600 are lower income and struggling to pay for rent, food and other essential items of life. The report highlights the growing need to provide secure, affordable, year-round rental housing on the Island.

The disparities between housing costs and wages create an enormous challenge for year-round residents. During these difficult economic times, the need for affordable housing in all six towns of the Island has only worsened. Our constituency is the community of low and moderate-income people of all ages who seek secure affordable homes on Martha's Vineyard, and the larger Island community that needs the people who are not finding affordable homes, in order to maintain a healthy economy.

SECTION 2 – INVOLVEMENT OF COMMUNITY RESIDENTS AND STAKEHOLDERS

Background – The Island Housing Trust (IHT) engages local residents, businesses, and local governments through our board composition, through our partnerships and collaborations (see below), and through our open approach to engaging with all of the communities of the Island of Martha's Vineyard. The IHT's board consists of representatives from each of the six island towns, from our homeowners, and from the community-at-large. Our Board includes key local business and community leaders. Monthly board meetings are open to the public, and are publicized on the organization's website (www.ihtmv.org), and advertised and posted in public buildings, including the Vineyard Housing Office, home to the IHT, Dukes County Regional Housing Authority (DCRHA), and Habitat for Humanity of Martha's Vineyard (Habitat). While the organization is not a traditional membership organization, the representative leadership structure, in combination with the open meeting structure and local partnerships and collaborations, ensures that constituents are engaged in, set the direction for, and oversee our work. All IHT homeowners are members of the organization.

The IHT Board meets regularly every month, including one annual meeting in March, at the Vineyard Housing Office in Vineyard Haven. There are four standing committees including Governance, Fundraising and Communications, Project Design and Development, and

Stewardship and Outreach, which meet monthly. The board has been regularly engaged in developing and monitoring this Plan, and in reviewing our annual work plans.

In addition, we have established an Advisory Committee of key Island leaders. We asked this group to help us, by acting as ambassadors for our work and our Plan in the community at large. Through press releases and at community meetings and events, we have let the larger community know of our certification by the State as a community development corporation, our Community Investment Plan and our Community Investment Tax Credits program.

Housing Production Plan – Over the past six months the Island Housing Trust and the island-wide planning agency, the Martha’s Vineyard Commission (MVC), have helped facilitate an island-wide and town-by-town Housing Production Plan process with the All-Island Planning Board, comprised of each of the six town Planning Boards, who hired JM Goldson and RKG to organize an extensive public outreach and planning process involving three public workshop in each of the six towns and a fourth meeting with town government stakeholders (i.e. Planning Boards, Affordable Housing Committees, and Boards of Selectmen). In addition, over 600 island residents who were not able to attend the public workshops responded to an on-line survey about housing needs and strategies.

The Housing Production Plan process has resulted in an island-wide and town-by-town housing vision, goals, and strategies that are currently being reviewed and refined. As Martha’s Vineyard only non-profit developer of affordable housing, the Island Housing Trust is well positioned to collaborate and partner with town governments, private land owners, businesses, conservation organizations, and other non-profits to implement strategies in order to achieve the goals established in the Housing Production Plans.

Vision 2020 – Over the past six months the Island Housing Trust has conducted an internal assessment of its mission and vision, lines of business (housing production, fundraising, stewardship, rental asset management, and communications/outreach), and board governance in order to achieve its growth goal of creating 100 new ownership and rental housing solutions by 2020. As part of this process board members, staff, and community stakeholders were surveyed about the organization’s mission, strengths and weaknesses, threats and opportunities, and vision and strategies. The six month strategic planning process has directly inform the organization’s updated Community Investment Plan. A board retreat on February 11, 2017 confirm the organization’s vision and strategies by lines of business as well as board development.

We plan to publicize the results of our surveys and our Community Investment Plan in our local newspapers and in communications to those who participated in the interview and survey process. We are building an ongoing process for gathering community feedback into our measurement of plan success (see Section 5 below).

SECTION 3 – PLAN GOALS

The Island Housing Trust will continue to build on three key goals for our five lines of business (housing production, communications, fundraising, stewardship, and rental asset management) over the next three years as follows:

GOAL ONE: Support - Increase community awareness, understanding of, and support for Island Housing Trust’s activities, and for affordable housing on the Island

GOAL TWO: Production - Increase the number of homes and rentals from 83 to 180.

GOAL THREE: Stewardship - Ensure that affordable housing is well maintained, rental are properly managed, homeowners and renters are supported, and housing units are kept affordable for current and future generations.

We developed a set of strategies and activities for each of the above goals. We believe that, by completing these activities, we will be able to achieve successful outcomes in each of the goal areas. We look forward to growing as the community development corporation for Martha’s Vineyard.

SECTIONS 4 & 5 – ACTIVITIES AND MILESTONES

GOAL ONE: Support - Increase community awareness, understanding of, and support for Island Housing Trust’s activities, and for affordable housing on the Island.

Rationale: We have led efforts to educate our communities about the need for affordable housing on our Island. And yet there are people who do not understand how critical a range of permanent housing options are to our community and to our economy. By increasing community awareness of who affordable housing benefits, and how this housing can be developed and maintained, we hope to decrease fears of affordable housing and increase political will and financial support for our projects. Low and moderate-income households will benefit as they become aware of affordable housing options and access those options, and to the extent that their neighbors have an understanding of the value that affordable housing provides to people they know and the larger community.

Strategy One: Update and Implement fundraising plan by maintaining and strengthening our relationship with donors and funders in order to in order raise \$3 to \$6 million annually.

ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Build on our efforts to date to engage local businesses and individual donors to raise \$600,000 in working capital by leveraging and	Secure & sell \$150,000 in CITC to raise \$300,000 in donations • Apply for \$150,000 CITC	Dev’t Director, Executive Director, Fundraising Ctee

maximizing the impact of community investment tax credits.	<ul style="list-style-type: none"> • Sell \$30,000 from multi-year pledges • Sell \$120,000 from end of year appeal 	
B. Continue annual mission based fundraising event to engage donors and key business and community leaders.	<p>Raise \$300,000 from fundraising events</p> <ul style="list-style-type: none"> • \$150K brunch donation • \$25K brunch sponsorships • \$100K house party • Obtain 100 new donors • Engage 95 lapsed donors & retain 305 donors 	Dev't Director, Executive Director, Fundraising Ctee
C. Raise \$8 million in project funding by leveraging 1/3 local municipal grant, 1/3 private donors, and 1/3 state grant funding in order to create 29 new homes/ apartments.	<p>Scotts Grove 9 apartments - \$2.3M gap r</p> <p>Kuehns Way 20 apartments - \$5.4M</p>	Dev't Director, Executive Director, Fundraising Ctee
D. Continue to research opportunities to access state and federal funds, and engage board members in understanding the associated opportunities and challenges.	Annual board education session on state and federal resource opportunities.	Dev't Director, Executive Director, Fundraising Ctee
E. Launch legacy program to educate and engage residents about planning giving opportunities	Launch legacy program through annual meeting and report.	Dev't Director, Executive Director, Fundraising Ctee
F. Research and plan a campaign for a permanent source of local funding (i.e. Island Housing Bank).	<p>Plan/mechanism for a permanent source of local funding (e.g. housing bank) developed.</p> <p>Core leadership support for this plan/mechanism tested.</p> <p>Campaign started</p>	Executive Director, Fundraising Ctee

Strategy Two: Update and Implement communications plan to increase community awareness, understanding of, and support for Island Housing Trust's activities, and for affordable housing on the island.		
ACTIVITIES	MILESTONES	RESPONSIBILITY
<p>A. Update and implement communications plan based on organizational mission, vision, and values using storytelling/messaging efforts already begun—summer benefit brunch, story boards, letters to the editor, annual report and appeal, impact video, case statement.</p> <p>B. Build on efforts to engage key businesses and community leaders through island-wide initiative to understand the need for affordable housing and create new opportunities for collaboration and partnerships to increase housing production.</p>	<p>Create new campaign taking advantage of the momentum and building prior messaging campaign</p> <p>Produce and distribute Annual Report</p> <p>All advertising, social media, videos and collateral material will reinforce message with a target audience</p> <p>Work with local and regional press to place stories, interviews and press releases.</p> <p>Raise awareness through participating in and creating community events</p> <p>Increase network of island business owners & anchor institutions by 20 annually through Workforce Housing Partnership program</p>	<p>Communications Director, Communications Ctee, Executive Director</p>
	<p>Island-wide Housing Production Plan public meetings, review, adoption, and implementation for all six island towns and the island.</p>	<p>Communications Director, Communications Ctee, Executive Director,</p>
Strategy Three: Increase staff capacity to implement outreach and support strategies.		
ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Hire additional staff for development and outreach efforts.	Hire Development Associate	Development Director, Communications Director

	All staff trained in and assigned responsibilities for development and outreach.	Development Director, Communications Director
--	--	--

GOAL TWO: Production - Increase the rate of annual housing production to create a total of 180 units by 2020, with an emphasis on affordable rental production.

Rationale: By developing more than 95 units of affordable housing in the next three years, we will make it possible for people who might otherwise be forced to leave the Island to stay here. We will help to attract and keep the low- and moderate-income work force, including teachers, farmers, and service workers. People who are doubling up or constantly moving from one temporary accommodation to the other will achieve housing security. We will continue to build simple, durable, energy efficient homes that are designed to be truly affordable to purchase or rent and maintain for generations.

Strategy One: Complete construction and occupancy for projects currently underway and in the pipeline.

ACTIVITIES	MILESTONES	RESPONSIBILITY
Complete projects in current development pipeline <ol style="list-style-type: none"> 1. Scotts Grove Apartments, West Tisbury 2. Kuehn's Way Apartments, Tisbury 3. State Road Resident Homesite, Aquinnah 	<p>Scotts Grove --9 new rental units completed by 2018.</p> <p>Kuehns Way --rental units completed by 2018.</p> <p>State Road --2 ownership units 2018.</p>	Project Director, Exec. Director & Development Committee

Strategy Two: Work with private and public partnerships to build our project pipeline.

ACTIVITIES	MILESTONES	RESPONSIBILITY
Initiate projects that are in the potential development pipeline <ol style="list-style-type: none"> 1. Meshacket, Edgartown 2. Island Food Products, Tisbury 	<ol style="list-style-type: none"> 1. Meshacket (Edgartown) – 30+ new rental units completed by 2016-2017. 2. IFP (Tisbury) – 50+ new rental units. FHLB Affordable Housing Development Competition 3. HPP (island-wide) - 100+ units identified 	Project Director, Exec. Director & Development Committee

3. HPP projects	on town owned land throughout six towns	
Strategy Three: Develop programs and partnership to address growing elderly, workforce, and homeless housing needs.		
ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Core House – design replicable and expandable building plans that can accommodate various high performance building methods (stick built, modular, panelized).	State Road ownership project and multi-family rental units at Scotts Grove and Kuehn’s Way	Project Director, Exec. Director & Development Committee
B. Elderly – assess feasibility of redeveloping existing properties into smaller efficiency apartments.	Create community development fund for acquisition and redevelopment of existing properties.	Executive Director
C. Buy-down & Life Estates – design and finance life estate program to acquire existing properties.	Research and pilot buy-down and life estate programs through a community fund.	Executive Director
D. Workforce – provide technical expertise in affordable housing permitting and development to private business and landowners.	Network with business and landowners to explore top of the shop and accessory apartment solutions	Project Director, Exec. Director & Development Committee
E. Homeless – work with faith community and service agencies on housing for homeless.	Assist in creation of homeless shelter using the Homeless Not Helpless model.	Project Director, Exec. Director

GOAL THREE: Stewardship - Ensure that affordable housing is well maintained, rentals are properly managed, homeowners and renters are supported, and housing units are kept affordable for current and future generations.

Rationale: By providing proper oversight of rental property management and systematic tracking of ownership ground lease restrictions, we will ensure that renters and homeowners get the services for the proper maintenance of their homes and apartments. People will understand resale restrictions if they wish to sell. We will continue to maintain connections with homeowners; and we will identify opportunities to grow homeowners’ and renters’ leadership and engagement with the IHT. Current and future generations of the Island community will benefit from a stock of well-maintained affordable homes and rental apartments that will help support the local year-round workforce.

Strategy One: Monitor and assess rental property management services and reserves		
ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Annual budgeting and quarterly review of rental properties and management services	Short and long-term financial viability.	Executive Director & DCRHA
B. Research and implement rental property management system for improved monitoring and increased efficiencies.	HUD TA grant to assess current rental property management systems and recommend improved systems.	Executive Director & DCRHA
C. Conduct capital improvement analysis for all IHT rental properties.	Assess and develop capital improvement schedule for all rental properties.	Executive Director
D. Update energy use study for all leased homes and rentals	Collect and analyze energy usage data to assess cost benefit of energy efficiency upgrades	Executive Director

Strategy Two: Homeowner engagement and education regarding property care and use restrictions on properties.		
ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Expand homeowner resources on website	Quarterly website updates	Program Manager
B. Conduct specific trainings based on homeowner survey results, including: <ul style="list-style-type: none"> • resale restrictions, sales procedures. • homeowner associations. 	2 trainings held annually. Resident feedback on trainings.	Program Manager
C. Provide information to homeowners about capital improvements.	Develop capital improvement schedule for all IHT developed homes.	Program Manager
D. Annual reporting of resale values to municipalities and homeowners.	Annual report on ground lease fees collected and resale value sales.	Program Manager
E. Use Home Keeper for tracking of information	Annual report on monitoring for towns, including increases in units monitored, fees.	Program Manager

Strategy Three: Monitor and enforcement of affordability restrictions		
ACTIVITIES	MILESTONES	RESPONSIBILITY
A. Monthly financial monitoring of owners and reduction of ground lease fee payables to 3 months or less	Updated management contracts between DCRHA and IHT.	Program Manager
B. Annual reporting of resale values to municipalities and homeowners.	Monitoring tool adapted by IHT to document unit turnover, financial performance, care of properties.	Program Manager
C. Enforcement of ground lease & policies	Annual resident satisfaction surveys completed by at least 75% of residents.	Program Manager

SECTION 6 - COLLABORATIVE EFFORTS TO SUPPORT PROGRAM IMPLEMENTATION

Specific roles of key collaborators in the implementation of our Plan are as follows:

GOAL ONE: Support - Increase community awareness, understanding of, and support for IHT's activities, and for affordable housing on the Island.

As part of IHT's fundraising and communication strategy, we will grow our network of individuals and organizations through active collaborations with existing and developing partners, including:

- 1) Community Investment Tax Credits – grow existing network of individual donors (currently **85** Massachusetts residents plus others from out of state), foundations (**9** foundations), and businesses (**17** businesses including key local businesses), through direct mailing campaign and local newspaper articles on the benefits of investing in the IHT's Plan and Tax Credit program.
- 2) Project Campaigns – collaborate with existing non-profit partner organizations, government agencies (DCRHA, MVC), town governments (town housing committees, Community Preservation Committees) and develop new collaborations with local non-profits (Island Elderly Housing, The Resources Inc., Martha's Vineyard Community Services) and state agencies (MHP, CEDAC, DHCD) on project specific fundraising campaigns.
- 3) Housing Bank - collaborate with existing non-profit partners, town governments, and state agencies as listed above to research and organize a campaign for a permanent source of local funding for affordable housing.
- 4) Healthy Communities Campaign – collaborate with existing non-profit partners, government agencies, and town governments listed above, as well as develop new collaborations with local non-profit organizations (Donors Collaborative, MV Fellowship, YMCA, Youth

Task Force, and Women Empowered) and public agencies (Dukes County Health Council and Health Access) through the Healthy Aging Task Force, to launch a community-based educational campaign on the need for affordable housing.

GOAL TWO: Production - Increase the number of ground-leased affordable housing properties on the Island from 85 to at least 180, and increase the amount of affordable rental production.

A key part of IHT's housing production strategy is to grow its network of development partners from non-profits, town governments, local and state public agencies, and local businesses, including:

- 1) Martha's Vineyard Land Bank – joint purchase of 15-acres of land in Tisbury involving 9-acres of conservation land and 4-acre that has been permitted for 20 units of rental housing.
- 2) DCRHA – has entered into rental management contracts for 15 units of rental housing over the past four years.
- 3) Town Governments – selected by the Town of West Tisbury to construct a 9 unit rental project at Scotts Grove on town owned land, and will continue to collaborate with local town governments to develop town land for affordable rental and homeownership opportunities over the next three years as identified in the town-by-town and island-wide Housing Production Plans.
- 4) Businesses – we will continue to collaborate with private businesses, local banks, and skilled contractors to design, build, and finance energy efficient affordable housing.
- 5) Regional Partners – We will explore potential collaborations with off-island developers (including such groups as Housing Assistance Corporation and The Community Builders) and financial institutions (Boston Community Capital) for larger development projects.
- 6) Island Elderly Housing – We will explore collaboration with this existing non-profit senior housing organization to develop additional senior housing in Oak Bluffs.

GOAL THREE: Stewardship - Ensure that affordable homes are well maintained, rentals are properly managed, homeowners and renters are supported, and homes are kept affordable for current and future generations.

The IHT's stewardship strategy is to build the capacity of its homeowners and property manager to properly maintain these properties for future generations of homebuyers and renters, as follows:

- 1) DCRHA – We will collaborate on a plan to build the asset and property management capacity necessary to properly oversee a growing portfolio of rental properties being developed and renovated by the IHT.
- 2) HOA – We will collaborate with existing IHT homeowner associations to provide regular on-site orientations and trainings to homeowners on proper maintenance and repair.
- 3) Women Empowered, SCORE and MV Chamber of Commerce – We will explore collaborations with existing non-profits who could provide financial literacy and small business development and counseling to interested IHT homeowners and renters.

SECTION 7- INTEGRATION OF ACTIVITIES WITH COMMUNITY VISION AND STRATEGY

The Island Housing Trust's Plan directly addresses many of the island-wide and town specific housing needs and strategies identified in the draft Housing Production Plans for each of the six towns and the island as a whole. Our Plan identifies the activities we plan to undertake to create and sustain permanently affordable housing on Martha's Vineyard. These activities support and are consistent with community's vision and strategy of creating a more resilient year-round community and economy. Many on the Island have articulated the need for year-round affordable housing including: art districts, schools, chamber of commerce, farming organizations, town governments, island-wide planning organizations, and the recently published Housing Production Plans.

The draft Housing Production Plans represent the combined efforts of all six Island towns to gain an understanding of the current housing dynamic island-wide and within each community and identify goals and strategies to create more housing choice and affordable housing on the Island. Many of the draft HPP recommendations are directly addressed by our Plan, including:

- Extremely and Very Low-income Residents – our Plan targets rental units to those earning below 60% AMI to address the unmet housing needs of lower income Island workers and their families.
- Families – our Plan aims to direct a majority of its new units to families, the mainstay of the Island's year-round workforce.
- Seniors – our Plan will explore new partnerships to directly address the housing needs of seniors 65 year and older who are low and very low income.
- People with Disabilities – our Plan will incorporate handicapped accessibility and/or supportive services into at least 10% of all new housing units created.
- Homeless – our Plan will explore new partnerships to targeting housing for the Island's most vulnerable residents earning extremely low or very low-income levels, who are most at risk of homelessness.
- Workforce Housing – our Plan will continue to support for community housing to promote year-round housing options and mixed-income neighborhoods.
- Seasonal Housing – our Plan will explore partnerships to support efforts of employers to provide seasonal housing for their workers.

Many of the assessment's recommended strategies have also been incorporated into the Plan, including:

- 1) Create a balance of larger projects that can take advantage of economies of scale in appropriate locations, and continued smaller infill project with a greater focus on those with more limited incomes, as well as smaller units for increasingly older and smaller households.
- 2) Adopt zoning and regulatory changes that will better utilize existing developable property in a "smarter" way for affordable housing, and utilizing the ground lease model to maintain permanent affordability.
- 3) Access new and expanded housing funding resources to produce housing that best meets housing needs and production goals, and

4) Increase regional collaboration to promote island-wide housing interests.

The Island-wide Housing Production Plan goal is to create at least 223 new low/moderate income units, primarily rental, over the next five years (an average of 45 housing units per year) that will count on the Subsidized Housing Inventory and are affordable to a range of household incomes including extremely low- and very low-income households. This rate of housing production would support all of the Island towns reaching 10% through incremental production (0.5% of year round housing units) by 2036. In addition, support the creation of at least 71 ownership units over five years that are affordable to households between 80-100% of the area median.

We will continue to work in partnership with the All Island Planning Board and town committees and boards from each of the six island municipal governments, to identify, plan, permit, fund, develop, and manage new affordable ownership and rental housing projects. Our Plan (see Section 4 – Activities to be Undertaken) identifies a pipeline of 3 new projects involving 2 ownership and 29 rental units to be developed over the next three in partnership with most of the Island's municipal governments.

Our Plan is an outgrowth of our participation in island-wide planning processes and our active engagement with the community at many levels. We believe that the activities outlined in our Plan are consistent with the larger community vision as expressed to date, and that in order to effectively implement our Plan, work is needed in each of the three goal areas identified. As noted above, we will continue to hold community conversations to affirm or refine our Plan and report out to the community as progress is made.

SECTION 8 - FINANCING STRATEGY

The Island Housing Trust will finance the implementation of its Plan's activities through diversified revenue sources. Our goal is to fundraise between \$3-6 million annually for working capital and projects through grants from local and state agencies, major gifts, ground lease fees, developer fees and overhead, and donations raised from community investment tax credits. Over the past eleven years, we have successfully raised \$14.4 million of working and project capital to develop and provide on-going stewardship and property management for over 80 homes and rentals. Sources include \$1 million in financing, \$6.5 million in public grants, and \$6.7 million in private donations.

We are confident in our ability to sell \$150,000 in Community Investment Tax Credits over the next 10 months, based on our fundraising experience, and the enthusiastic response to the Tax Credits that we have received over the past three years. See attached 2015 annual report listing businesses, individuals, and foundations in Massachusetts who have donated to the IHT over the past year. In the last three years IHT has raised nearly \$820,000 in donations through \$110,000 in 2014 CITC, \$150,000 in 2015 CITC, and 99% of \$150,000 2016 CITC

allocation. We believe that the CITC is a unique opportunity to grow our organization's technical and financial capacity, in order to scale our production.

In the last year, we have successfully raised \$969,000 in working capital to support our organizational operating budget of \$491,000. Revenue sources include project development and administrative fees of \$94,274, ground lease fees of \$36,000, bequests of \$425,000, and donations and pledges of \$502,00. In addition, \$3.7 million in project funding was raised to complete the construction of a six (6) unit rental building in Vineyard Haven, and the purchase and pre-development of a 20 units rental project in Tisbury and a 9 unit rental project in West Tisbury through a combination of local municipal CPA grants, FHLB Boston grants, and private donations. Our fundraising plan involves a year-round approach to cultivating and engaging a network of donors and potential donors through fundraising events, one-on-one meetings, ground breakings, house openings, annual report, quarterly updates, and annual appeals.

We will raise between \$3-6 million annually for working capital and projects through project grants and donations, ground lease and project fees, and donations raised through Community Investment Tax Credits, as follows:

Working Capital

- Tax Credits –organize fundraising drive to raise \$50,000 annually in working capital from Massachusetts residents, businesses and foundations who can benefit from Community Investment Tax Credits.
- Ground Lease Fees – \$50 per property/ month, \$36,000 annually.
- Project Overhead & Development Fees – fee of 5-10% of construction costs, of up to \$150,000 annually depending upon annual project development activity.
- Annual Appeal - organize annual fundraising drive to raise \$100,000 annually in multi-year pledges from 10 legacy donors for working capital.
- Private Foundations – research and apply to Island based and regional foundations for \$50,000-100,00 annually for working capital.

Project Capital Fundraising

- Tax Credits –organize an annual fundraising drive to raise \$250,000 in project capital from Massachusetts residents, businesses and foundations who can benefit from Community Investment Tax Credits.
- Donor Management – implement a donor database system to organize, track, and manage donors and investors.

- Ask Events – organize and implement a series of fundraising events and one-on-one meetings to engage major donors with the help of the advisory council to raise \$1-2 million in donations annually.
- Community Preservation Act - make annual grant applications for project funding to municipal Community Preservation Committees and Affordable Housing Trust Funds in order to raise \$1-2 million annually depending on project and funding availability.
- State rental and homeownership funding rounds – apply for state rental and homeownership housing funding when available in order to raise \$1-2 million annually.
- Additional public and related sources - continue to access Community Development Block Grant funds for projects. Continue to pursue use of other state and nonprofit resources through conversations with CEDAC, Boston Community Capital, Federal Home Loan Bank, MHP, USDA, NeighborWorks America and others.

SECTION 9 - HISTORY, TRACK RECORD AND SUSTAINABLE DEVELOPMENT

The Island Housing Trust is well positioned to finance and implement the proposed activities in our Community Investment Plan. Over the past eleven years we have steadily grown our capacity and the support for our work on Martha's Vineyard, developing and maintaining the on-going stewardship of nearly 85 units of ownership and rental housing, increasing our donor base, and increasing community awareness of the need for and success of our work. The attached timeline outlines our progress in meeting the significant affordable housing needs on Martha's Vineyard.

We have maintained strong and stable staff and board leadership. Executive Director Philippe Jordi brings 21 years of experience in community development on Martha's Vineyard, first as the senior planner for the Wampanoag Tribe of Gay Head (Aquinnah) then as the executive director of the Dukes County Regional Housing Authority, and now as the executive director of the Island Housing Trust for the past eleven years. Derrill Bazy, Project Director, brings over 30 years of experience working for the Island's leading design-build company, South Mountain Company, as an architectural designer. Breeze Tonnesen, Communications Director, brings 40 years of experience working in the private sector and most recently for the architectural firm, Breese Architect, on Martha's Vineyard. Most recently, Sarah Church has joined as our Development Director, with over fifteen-years of fundraising experience in Boston working for Dan Farber and MGH.

Our large and diverse Board of Directors represent each of the six towns, the regional housing authority, homeowners and renters, and the community at large. Board President Richard Leonard, Senior Vice President of Cape Cod Five Cents Saving Bank, brings 35 years of local banking and leadership experience to the organization. An example of the Board's expertise is Board member Cheryl Doble, a landscape architect, has worked in private practice and as an educator in New York State. For the past 20 years Cheryl has been a faculty member in the Landscape Architecture Department at SUNY College of Environmental Science and Forestry (ESF) in Syracuse, NY, where she was the

founding director of the College's Center for Community Design Research. See attached list of Board and Advisory Board leaders and their affiliations.

A major component of our development work has been building eco-friendly houses that blend into surrounding neighborhoods, designed with high performance energy efficient building standards including a home energy rating (HERS) of 50 or less (i.e. large R-value insulation in walls, roof, and foundations, water conserving fixtures or features, high efficiency air source heat pumps, heat recovery ventilation system adequate to provide constant fresh air, triple glaze energy efficient windows, and Energy Star qualified lighting). Given the high costs of energy on the Island, this level of energy efficiency and durable building materials have made our houses very affordable to maintain and thus more affordable in the long-run. We have also designed our developments based on conservation based affordable housing principles that cluster housing both to protect land and increase efficiency. Local designers have worked closely with us to design attractive and durable homes that fit the local landscape, and are on or near local bus routes.

Our Plan is consistent with the Commonwealth's Sustainable Development Principles in many ways, including: expanding housing opportunities for low and moderate income working island families and individuals that are compatible with the community's character and vision; developing and operating mixed use and clustered developments; ensuring the interest of future island residents through creating and sustain permanently affordable housing; developing conservation based affordable housing development that balances the need for development with land conservation; creating high performance building that is energy efficient and truly affordable not only to purchase but also to own and maintain; and locating homes and neighborhoods so that they are accessible to existing public transportation. All of this is done in partnership and collaboration with local municipalities and island-wide planning and non-profit organizations.

We are confident in our ability to sell \$150,000 in Community Investment Tax Credits over the next 10 months, based on our experience working with individual and corporate donors who appreciate the value of our work and the opportunities for the Island offered by the Community Investment Tax Credits.

We look forward to meeting the needs of our Island community through implementation of this Plan.